Transportation, Housing and Urban Development Subcommittee: Department of Transportation (DOT) Local Transportation Priorities

Program Description

All projects must be eligible under 23 U.S. Code § 133 - Surface transportation block grant program and/or Chapter 2 of title 23, United States Code:

The Surface Transportation Block Grant program (STBG) provides flexible funding that may be used by States and localities for projects to preserve and improve the conditions and performance on any Federal-aid highway, bridge and tunnel projects on any public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals.

Sec. 133(b) of title 23: Eligible Projects.—Funds apportioned to a State under section 104(b)(2) for the surface transportation block grant program may be obligated for the following:

(1)Construction of—

- (A)highways, bridges, tunnels, including designated routes of the Appalachian development highway system and local access roads under section 14501 of title 40;
- (B) ferry boats and terminal facilities eligible for funding under section 129(c);
- (C)transit capital projects eligible for assistance under chapter 53 of title 49;
- (D)infrastructure-based intelligent transportation systems capital improvements, including the installation of vehicle-to-infrastructure communication equipment;
- (E)truck parking facilities eligible for funding under section 1401 of MAP–21 (23 U.S.C. 137 note); and
- (F)border infrastructure projects eligible for funding under section 1303 of SAFETEA-LU (23 U.S.C. 101 note).

General Guidance

Local Transportation Priorities are highway and transit capital projects eligible under title 23 and title 49 of the United States Code. Eligible projects are described under Section 133(b) of title 23, United States Code. Tribal and territorial capital projects authorized under Chapter 2 of title 23, United States Code, are also eligible.

All projects must be:

- Capital projects or project-specific planning/design for a capital project.
- Supported by the state or local government that would administer the project. Inclusion on a Statewide Transportation Improvement Plan (STIP) or Transportation Improvement Plan (TIP) would satisfy this requirement.
- Administered by public entities.

The Subcommittee will not fund activities that are administrative in nature even if they are eligible expenses under the statutory citation. These include general operating expenses, and activities required under sections 134 and 135 of title 23, United States Code.

Transportation, Housing and Urban Development Subcommittee: Department of Transportation (DOT) Airport Improvement Program (AIP)

Program Description

The Airport Improvement Program (AIP) provides grants to public agencies — and, in some cases, to private owners and entities — for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems (NPIAS). See the <u>AIP Glossary</u> for a description of AIP-related terms.

Eligible projects include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. In general, sponsors can get AIP funds for most airfield capital improvements or rehabilitation projects and in some specific situations, for terminals, hangars, and nonaviation development. Certain professional services that are necessary for eligible projects (such as planning, surveying, and design) can also be eligible. The FAA must be able to determine that the projects are justified based on civil aeronautical demand. The projects must also meet Federal environmental and procurement requirements.

AIP grants for planning, development, or noise compatibility projects are at or associated with individual public-use airports (including heliports and seaplane bases). A public-use airport is an airport open to the public that also meets the following criteria:

- Publicly owned, or
- Privately owned but designated by FAA as a reliever, or
- Privately owned but having scheduled service and at least 2,500 annual enplanements.

Further, to be eligible for a grant, an airport must be included in the NPIAS. The NPIAS, which is prepared and published every 2 years, identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the Postal service.

Finally, sponsors planning to acquire AIP-funded NavAids and/or AWOS must coordinate closely with the FAA Non-Federal Program, from the beginning of the planning process.

General Guidance

AIP community project requests may be used for enhancing airport safety, capacity, and security, and mitigating environmental concerns.

All projects must be:

- AIP eligible in accordance with sections 47101 to 47175 of title 49, United States Code, and FAA policy and guidance.
- Supported broadly by local stakeholders, including residents, businesses, and elected officials.
- Administered by an airport and/or airport sponsor.

<u>Transportation, Housing and Urban Development Subcommittee</u> Department of Housing and Urban Development (HUD) Economic Development Initiative (EDI)

Program Description

Economic Development Initiative:

EDI provides grants to local governments to enhance both the security of loans guaranteed through the Section 108 Loan Program and the feasibility of the economic development and revitalization projects they finance.

EDI has been the catalyst in the expanded use of loans through the Section 108 Program, one of the most potent public investment tools that HUD offers to local governments. Because Section 108 loans represent a potential risk to local governments' Community Development Block Grant (CDBG) allocations which governments pledge against potential repayment shortfalls, the EDI program offers communities a way to decrease the level of risk to their CDBG funds. HUD's Economic Development Initiative helps local governments manage and reduce this risk in at least two different ways. A local government may use an EDI grant to provide additional security for the Section 108 loan (as a loan-loss reserve or debt-service, for example), thereby reducing the exposure of its CDBG funds in the event of a default in loans made locally with the 108 funds. Or it may use this flexible grant to simply make the project more feasible by paying some of the project costs with grant funds or by reducing the interest rate to be paid from a revolving loan fund. Increasing access to capital for entrepreneurs and small business has emerged as a key component of the job growth strategy powered by the EDI grant program.

HUD Section 108 program

The Section 108 program guarantees loans that offer variable- and fixed-rate financing for up to 20 years to finance certain CDBG eligible activities, including economic development activities, public facilities and improvements, housing rehabilitation, land acquisition, and related activities.

General Guidance

EDI community project requests may be used for economic and community development activities, including land or site acquisition, demolition or rehabilitation of housing or facilities, construction and capital improvements of public facilities (including water and sewer facilities), and public services. Requests may also include planning and other activities consistent with the underlying authorization for the Community Development Block Grant program within HUD. EDI community project requests are not eligible for the reimbursement of expenses for activities already undertaken (including debt service or debt retirement).

All projects must be:

- Supported broadly by local stakeholders, including residents, businesses, and elected officials.
- Administered by governmental or non-profit entities, including public housing agencies, as well as tribes and tribally designated housing entities.